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**MARIEL SPECIAL DEVELOPMENT ZONE: Promoting development and connecting Cuba to the world**

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The first Special Economic Zone appeared in Ireland, in 1959. By the end of the 1960s, ten existed around the world. In less than a decade, the initiative took off and allowed countries establishing them to experience accelerated economic growth.

In Latin America, during these years, specifically in 1964, a Special Zone was created in Colombia, and in its wake others were established in the region.

Since then, three basic models have emerged. One based on industrial diversification and added value production and services, as is the case of Costa Rica. In countries like El Salvador, Honduras, and Mexico, assembly plants predominate, principally for the textile and garment industries. While in Panama, specialized logistics and merchandise distribution services prevail.

In April of 2011, the 6th Congress of the Communist Party of Cuba approved the Economic and Social Policy Guidelines, one of which refers directly to the creation of Special Development Zones in Cuba, that would "allow for an increase in exports, the effective substitution of imports, high tech projects, and local development; and which would contribute sources of employment." (Guideline 103)

Taking into account previous experiences in terms of duty-free zones in the country; the regional context; and the real possibilities of contributing to the economy with such an effort, on September 19, 2013, the Mariel Special Development Zone (ZEDM) was created, the first of its kind on the island.

The project seeks to promote the nation's sustainable economic development through the attraction of foreign investment, while ensuring industrial concentration, technological innovation, and protection of the environment.

New special development zones around the world usually delay recruiting businesses three to five years, creating infrastructure and services first and then launching operations, ZEDM General Director Ana Teresa Igarza Martínez

told Granma International.

"Here we began both at the same time. Cuba's reality, which we cannot ignore, means a country with economic difficulties, blockaded for almost 60 years. Therefore, waiting for the optimal to begin was not an option. We are doing things simultaneously, giving them use value as soon as they are finished.

"The container terminal, that began operations in 2014, did so before the entire dredging process was concluded, because we thought this could continue gradually, and now ships are entering a modern container terminal in a deep water port," she explained.

Additionally, the Zone has in place primary and secondary roads, two-way rail lines connected to the national system, electricity, water, sewers, drainage, bottled gas, telecommunications, broad band internet, and Wi-Fi, in addition to a business center.

"It is true that key services are guaranteed, but there are several in the Zone which are not yet sufficient. Supporting industry means more than water, electricity, transportation, and communications. Adding restaurants, cafeterias, retail, and logistics supports industrial development as well, and we are working on that right now," Igarza continued.

Capacity is inadequate to accommodate the 34 ZEDM tenants who have been approved. So work is underway this year to begin the construction of a second business center.

On the other hand, transportation services offered are stable, but do not meet demand. Given this problem, the Angosta Intermodal Passenger Terminal was recently inaugurated.

Train and bus tickets, taxis, and car rentals, are now available in this spacious, comfortable station, that also features a clinic, police office, cafeteria, and communications center.

Investment in the transportation arena is being undertaken by the state enterprise system affiliated with the Ministry of Transport, with a view toward gradually including more services and expanding capacity beyond the current level. This effort will be complemented with the arrival of new locomotors and coaches, expected shortly.

"We are providing use value and improving quality in order to complement the Zone and meet required standards," Igarza said.

The Mariel Special Development Zone enjoys a privileged geographical position within the Caribbean basin and the Central American region, as one of the area's 32 principal ports, and among only five with deep water access, making it a potential destination for transfer operations for deep-draught ships that reach the Caribbean through the Panama Canal expansion, providing a shorter route to the Gulf and Atlantic coast of the United States.

The Zone offers attractive fiscal incentives, with tax exemptions and reductions, and a two-level approval process that does not exceed 60 days. The "one window" system - unique in the country - has proven to be an important strength in attracting investors.

To acquire needed licenses, permits and authorizations, the Zone's management works with the ministries of Science, Technology, and Environment; Justice; and the Interior; along with the National Statistics and Information Office; the national tax office affiliated with the Ministry of Finances; the Patrimony Directorate, which deals with land use issues; and the Physical Planning Institute in conjunction with the Ministry of Construction, along with other bodies and agencies.

"The one window system facilitates reconciliation with each one of these agencies. Supports the search for solutions, finds points of convergence, and catalyzes good ideas, allowing us to accelerate processes and attract a greater number of investments," Igarza explained.

The experience has been positive and has had an impact, she adds. Zone tenants facing problems can turn to the "one window" staff.

"The one window has given us the possibility of being perceived - both the office and the Special Zone - as a state entity. An entity of a new kind, with a horizontal structure, with solutions and the ability to acquire the things that are

required," the director asserted.

The Special Zone's development over the past five years continues and is being consolidated. Present today are 34 users from 15 countries, as well as nine multi-nationals.

Five of the projects are based on 100% Cuban capital; 19 on 100% foreign capital; eight joint ventures; and two international economic associations. The total amount of investment has surpassed 1.191 billion dollars, and 4,888 jobs have been directly generated.

Currently 10 projects are operational, related to several sectors, including industry, biotechnology and pharmaceuticals, logistics, construction, food processing, and real estate.

"In 2018, it is imperative that the number of users, beyond the ten operating in the Zone today, is increased, and that the other six (Richmeat, Profood Service, Devox Caribe, Bouygues Construcción Cuba, Engimov Caribe, and Nescor) begin operations this year. Likewise, we intend to construct an Agricultural Terminal, a second business center, and advance even more on infrastructure," the director reported.

The Mariel Special Development Zone, with its 5th anniversary drawing close, continues along the path of hard work to become a regional reference point in the attraction of foreign capital, with technological development that allows for value-added production and services, linked to the rest of the country's economy.

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